

House File 862

HOUSE FILE _____
BY WHITAKER

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act providing an income tax credit for authorizing public
2 access for recreational purposes to the owner's land and
3 including an applicability date provision.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 2234YH 82
6 mg/je/5

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1 1 Section 1. NEW SECTION. 422.11T OUTDOOR ACCESS TAX
1 2 CREDIT.
1 3 The taxes imposed under this division, less the credits
1 4 allowed under sections 422.12 and 422.12B, shall be reduced by
1 5 an outdoor access tax credit authorized pursuant to section
1 6 461C.9.
1 7 Sec. 2. Section 422.33, Code 2007, is amended by adding
1 8 the following new subsection:
1 9 NEW SUBSECTION. 24. The taxes imposed under this division
1 10 shall be reduced by an outdoor access tax credit authorized
1 11 pursuant to section 461C.9.
1 12 Sec. 3. NEW SECTION. 461C.9 OUTDOOR ACCESS TAX CREDIT.
1 13 1. A holder of land who possesses the land in fee interest
1 14 may claim a tax credit against the tax liability under chapter
1 15 422, division II or III, upon entering into a written
1 16 agreement with the department of natural resources making
1 17 public access available to the holder's land for recreational
1 18 purposes. However, the agreement shall prohibit access to
1 19 vehicles and horses. The amount of the tax credit equals two
1 20 dollars per acre for each year, not to exceed twenty years,
1 21 that public access under the written agreement is available on
1 22 that acre. If the written agreement is for the life of the
1 23 holder, the time period shall be computed actuarially but not
1 24 to exceed twenty years. If the written agreement provides for
1 25 a time period that is not for a specified number of years or
1 26 not for the life of the holder, the number of years shall be
1 27 estimated at the time of the written agreement but not to
1 28 exceed twenty years.
1 29 The tax credit shall only be claimed for the tax year
1 30 during which the written agreement is executed. The maximum
1 31 amount of tax credit that may be claimed per acre under this
1 32 section shall not exceed forty dollars per acre. The total
1 33 amount of tax credit that a holder of land may claim for a tax
1 34 year shall not exceed one thousand dollars.
1 35 2. a. Upon entering into a written agreement pursuant to
2 1 this section, the department of natural resources shall issue
2 2 an outdoor access tax credit certificate to be attached to the
2 3 person's tax return. The tax credit certificate shall contain
2 4 the taxpayer's name, address, tax identification number, the
2 5 date of public access, the amount of credit, and other
2 6 information required by the department of revenue.
2 7 b. The department of natural resources, in entering into
2 8 the written agreements, shall attempt to make available to
2 9 public access an equal number of acres in each county.
2 10 c. The total amount of tax credit certificates that may be
2 11 issued in a fiscal year shall not exceed five million dollars.
2 12 The department shall issue the certificates on the basis of
2 13 the date of the written agreement with the earliest agreements
2 14 receiving the full amount of tax credits to the extent
2 15 possible.
2 16 3. Any credit in excess of the taxpayer's tax liability
2 17 shall be refunded. In lieu of claiming a refund, the taxpayer
2 18 may elect to have the overpayment shown on the taxpayer's
2 19 final, completed return credited to the tax liability for the

2 20 following tax year.
2 21 4. An individual may claim the tax credit allowed a
2 22 partnership, limited liability company, S corporation, estate,
2 23 or trust electing to have the income taxed directly to the
2 24 individual. The amount claimed by the individual shall be
2 25 based upon the pro rata share of the individual's earnings of
2 26 a partnership, limited liability company, S corporation,
2 27 estate, or trust.

2 28 Sec. 4. APPLICABILITY DATE. This Act applies to written
2 29 agreements providing for public access entered into on or
2 30 after the effective date of this Act during tax years ending
2 31 after the effective date of this Act.

2 32 EXPLANATION

2 33 This bill provides an individual income tax credit or
2 34 corporate income tax credit for an owner of land that enters
2 35 into a written agreement with the department of natural
3 1 resources to allow public access to the land for recreational
3 2 purposes. Recreational purposes include such activities as
3 3 hunting, fishing, swimming, boating, camping, picnicking,
3 4 hiking, and other summer and winter sports. However, vehicles
3 5 and horses are prohibited.

3 6 The amount of the tax credit is based upon the acreage and
3 7 length of time such acreage is available to the public. The
3 8 amount equals \$2 per acre multiplied by the number of years
3 9 the acre is available, not to exceed 20 years. The tax credit
3 10 is only claimed for the tax year during which the agreement is
3 11 entered into with the maximum amount of credit per acre of
3 12 \$40. The owner of the land may not receive more than \$1,000
3 13 in tax credit for a tax year. The tax credit is refundable.

3 14 The bill limits to \$5 million the amount of annual tax
3 15 credits that the department of natural resources may approve.

3 16 The bill applies to agreements entered into on or after the
3 17 effective date of the bill and applies to tax years ending
3 18 after the effective date of the bill.

3 19 LSB 2234YH 82

3 20 mg:rj/je/5.1